



MARKET HANDBOOK
AUGUST EDITION



Welcome Back and What are we Experiencing in Toronto Real Estate

The numbers for August were released and, in many ways, were as expected. Nothing 'earth shattering' to report that hasn't been disseminated and sliced and diced through the media and social channels already. The summer is slower, and we all already know that. And while there has been movement at a micro level, we are going to zoom out a bit for a wide-angle bird's eye view of not just August but the activity for the year to date.

What do we find interesting is that if sales transactions continue as they have been for the rest of the year, 2023 will be the lowest number of sales transactions since 2001. The GTA is currently at 49,347 sales for 2023, 33% below our historical average. Back in 2001, the population was 4.7M (assuming Census Canada recorded accurately). And now the GTA is sitting at 6.3M (Census caveat), a 34% increase since 2001. Given our current population, very few transactions are actually occurring, relatively speaking.

We have 73,000+ Realtor's currently registered with the Toronto Regional Real Estate Board. In previous years, we know that approximately 10% of the agents conducted 90% of the transactions. We would assume that given how low the sales numbers are, a smaller percentage of Realtors are actually transacting and carrying the bulk of the business at the moment. Gone are the days of just listing a property and watching the Offers roll in, setting record selling prices. A perfect place to plug the increasing importance of hiring a trusted professional, especially in the current market conditions.



Zooming in on activity at a micro level, it's a 'mixed bag' out there. Some properties in some pockets are receiving multiple offers and selling "above asking," also known as "at current market value." And others are priced and sitting there, with price adjustments and more than 7 days on the market, looking to be a new norm.

Inventory overall is currently more balanced than it has been. We are sitting at the historical average for the number of properties offered on the market, which picked up around June and seems to be increasing monthly. Balance is a good thing, in our opinion. It is a sign of a healthy market. A significant determinant for what the rest of fall may look like will rest on whether or not we see another rate hike as the BOC continues to battle inflation.

We are standing by.

Any questions, feel free to reach out.

Cari & Paul

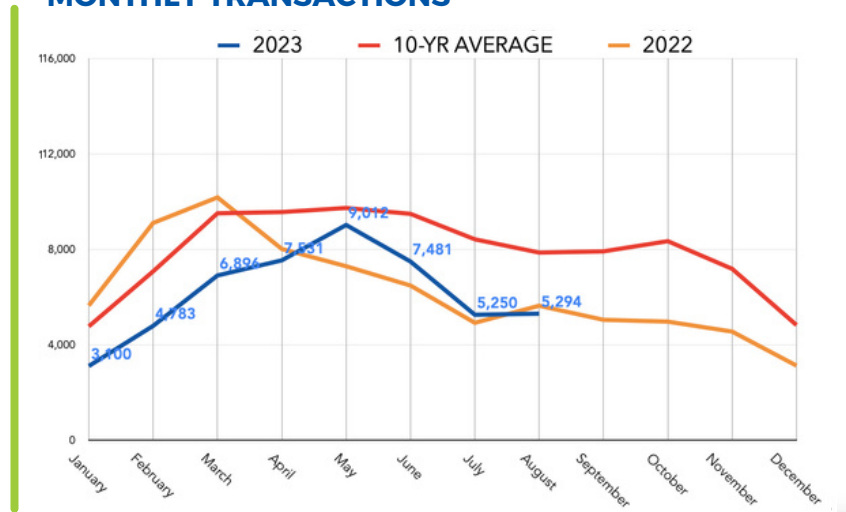
MONTHLY OVERVIEW - SALES -

ALL HOME TYPES - GTA
NUMBER OF SALES / TRANSACTIONS

August

# of Sales	5,294
% Chg M.o.M.	+0.8%
% Chg Y.o.Y.	-5.9%
% Chg from 10 YR Ave	-32.6%
YTD Sales	49,347
% Chg from 10 YR Ave	-33.1%

MONTHLY TRANSACTIONS



Home Sales across the GTA remained softened in August at 5,294 sales. This was on par with the previous month but down slightly (6%) from August 2022. The change in Sales activity is a stark contrast to the rising sales and rising optimism at the start of the year, with the expectation that the Bank of Canada finished their rate hikes. After the latest hikes in June & and July, Buyers have moved to the sideline, either due to affordability or fear of future hikes. The GTA is currently sitting at 49,347 sales in 2023, 33% below our historical average. We are currently on pace to hit our lowest level of sales since 2001.

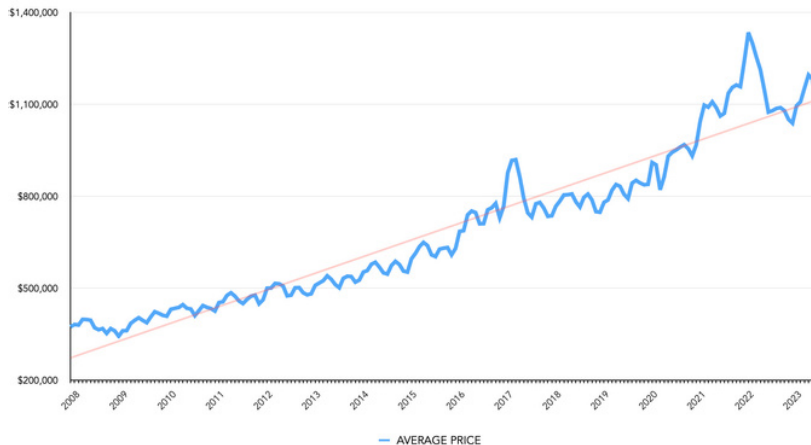
MONTHLY OVERVIEW - PRICE -

ALL HOME TYPES - GTA
AVERAGE PRICE

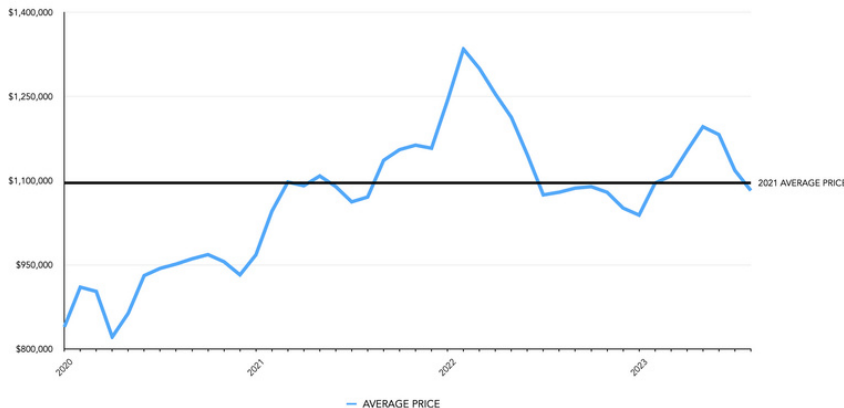
August

Average Price	\$1,082,496
% Chg M.o.M.	-3.2%
% Chg Y.o.Y.	+0.3%
Annual Average	\$1,135,131
% Chg	-4.6%

AVERAGE PRICE FOR GTA HOME - Monthly



AVERAGE PRICE FOR GTA HOME - Last 3 Years



Average Home Price in the GTA continued its slide for the third consecutive month, falling to \$1,082,496. This is 9.5% below the 2023 peak back in May. On a year-over-year basis, prices are essentially on par with last year's August (up 0.3%). It is not uncommon for prices to slump during the summer slowdown. We typically see leftover Spring inventory or motivated sellers sell their homes during this time. Most marketable properties are generally held off for the Fall Market when Sellers and Buyers are back (physically and mentally) from the summer holidays.

MONTHLY OVERVIEW - LISTINGS & INVENTORY

ALL HOME TYPES - GTA
NEW LISTINGS & ACTIVE INVENTORY

August

New Listings **12,296**

% Chg M.o.M. -10.3%

% Chg Y.o.Y. +16.7%

% Chg from 10 YR Ave -0.7%

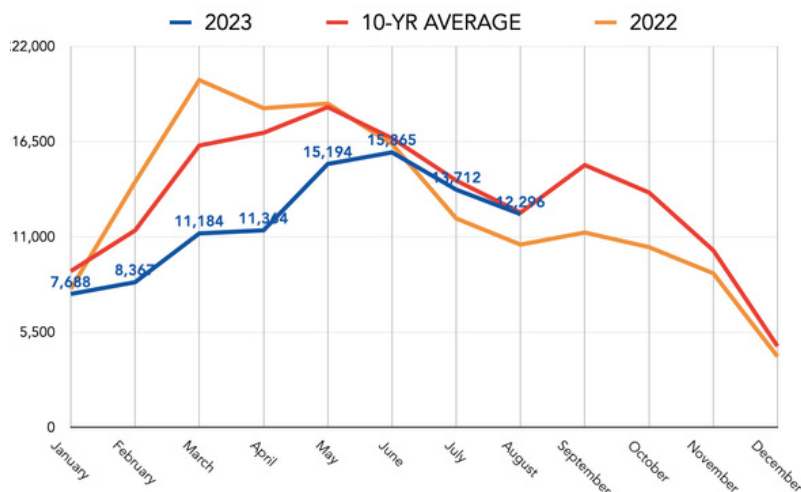
Inventory **15,497**

% Chg M.o.M. +0.8%

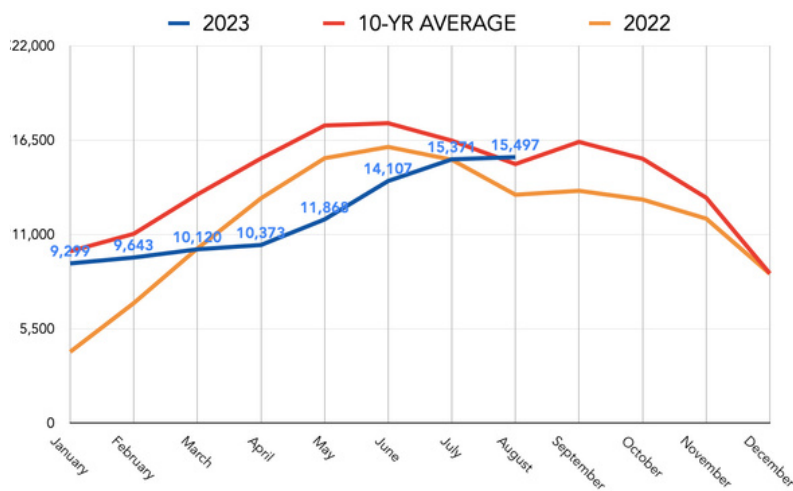
% Chg Y.o.Y. +16.5%

% Chg from 10 YR Ave +2.7%

NEW LISTINGS



ACTIVE LISTINGS



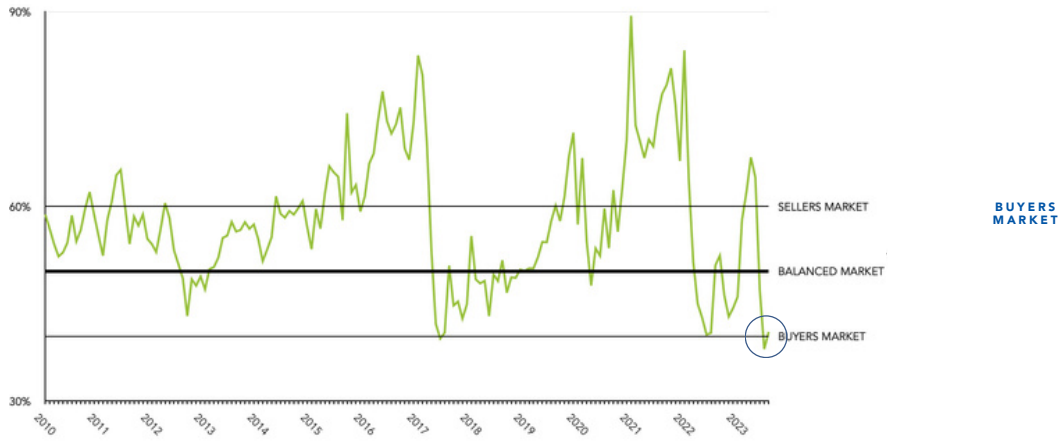
New Listings are following the historic norms. They peaked in June and declined over the Summer months. However, New Listings are up 17% from last year, August. With the low sales (demand) and normal listings (supply) level, we have seen Active Inventory climb for eight consecutive months. Active Inventory is up 16.5% from last year and, for the first time in over two years, has exceeded our 10-YR Average.

MONTHLY OVERVIEW - RATIOS -

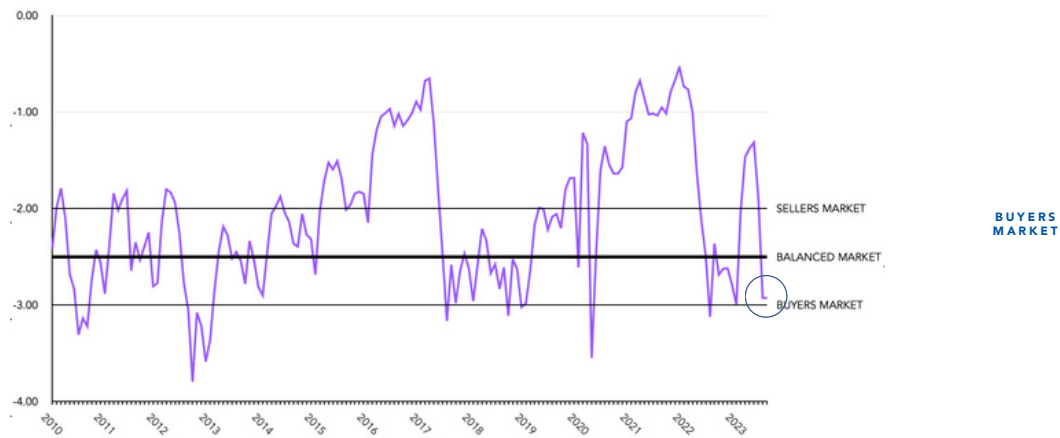
ALL HOME TYPES - GTA

LIST TO SALE RATIO & MONTHS OF INVENTORY & SOLD OVER ASKING

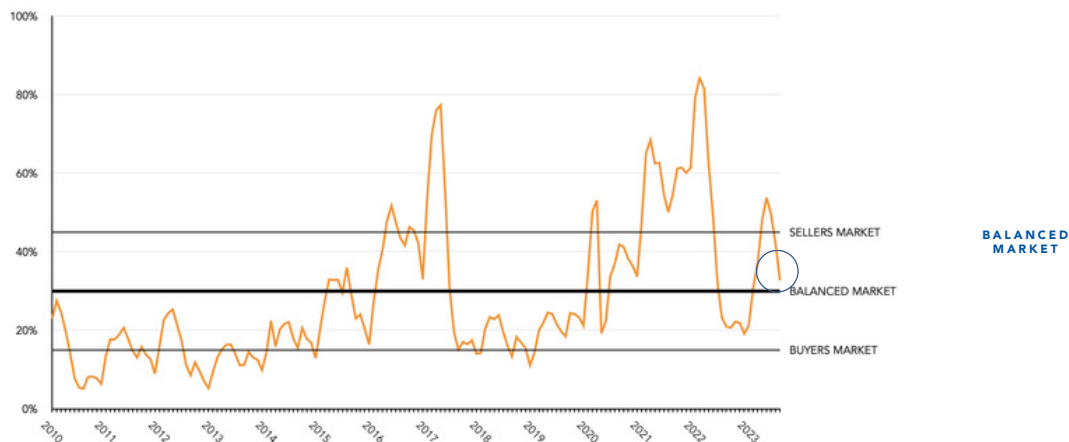
SALES TO NEW LISTINGS RATIO*



MONTHS OF INVENTORY - INVERTED



SOLD OVER ASKING RATIO



REGIONAL OVERVIEW - 416 VS 905 -

LOW RISE HOMES

CITY OF TORONTO - 416 - LOW RISE SALES

August

	# of Sales				Average Price		
	Sales	M.O.M	Y.O.Y	10 YR AVE	Average Price	M.O.M	Y.O.Y
Detached	451	-12.9%	-11.7%	-39.4%	\$1,635,145	-0.4%	-0.8%
Semi-Detached	138	-17.9%	-13.2%	-37.2%	\$1,235,723	-1.7%	+9.6%
Townhouse	208	+18.2%	+14.3%	-27.7%	\$971,090	-4.7%	+6.3%
City of Toronto (416)	797	-7.5%	-6.5%	-36.4%	\$1,392,681	-3.2%	-0.1%

GREAT TORONTO AREA - 905 - LOW RISE SALES

August

	# of Sales				Average Price		
	Sales	M.O.M	Y.O.Y	10 YR AVE	Average Price	M.O.M	Y.O.Y
Detached	1,813	-2.5%	-13.0%	-37.0%	\$1,361,943	-0.4%	+3.7%
Semi-Detached	308	+11.2%	-16.1%	-40.3%	\$992,822	-1.5%	+5.3%
Townhouse	728	+4.3%	-3.3%	-28.5%	\$925,718	-1.5%	+3.2%
Greater Toronto Area (905)	2,849	+0.5%	-11.1%	-35.4%	\$1,210,570	-1.4%	+3.2%

When looking at Low Rises in Toronto and surrounding areas, the first thing I notice is the uptick in sales under one million. Toronto Townhouses and 905 Semi-Detached & Townhouses have all seen an increase in sales, up 18%, 11% and 4%, respectively. However, they have all experienced a decline in value, with 416 Townhouses and 905 Semi-Detached properties' Average Prices falling below \$1M. The slower market this summer allowed Buyers to have a more competitive advantage. Although all Low Rises across the GTA saw a dip in values month-over-month, prices are up from this time last year.

FREEHOLD & CONDO UPDATE

CITY OF TORONTO

TORONTO - Freehold VS Condo

FREEHOLD		CONDO	
# of Sales	797	# of Sales	1,086
M.O.M.	-7.5%	M.O.M.	+7.2%
Y.O.Y	-6.5%	Y.O.Y.	+5.6%
10 YR AVE	-36.4%	10 YR AVE	-25.8%
Average Price	\$1,392,681	Average Price	\$724,549
M.O.M.	-3.2%	M.O.M.	-3.8%
Y.O.Y	-0.1%	Y.O.Y.	-1.7%
New Listings	1,708	New Listings	2,596
M.O.M.	-16.4%	M.O.M.	-14.7%
Y.O.Y	+70.5%	Y.O.Y.	+24.2%
Inventory	2,156	Inventory	3,733
M.O.M.	-2.7%	M.O.M.	-1.8%
Y.O.Y	+58.9%	Y.O.Y.	+25.2%

Condo Sales stopped its freefall this month, jumping 7% from last month. Condos had experienced consecutive significant dips in sales through June (-15%) and July (-30%). As Condo Inventory has levelled to 3,733 (down 2% from last month), we have seen Condo prices hit their lowest level since January this year. Combined with a declining level of New Listings (down 15% from last month), we should hopefully see some stability in the Fall. Freehold Homes also saw a decline in New Listings (-16%) and Inventory (-3%). However, this was not enough to offset the low level of sales (down 7.5%). The average Freehold Price dipped to \$1,392,681.

LET'S CONNECT



WE'RE HERE TO HELP!

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